



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Ordinance No. 1830 Entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 13.20, 'Electrical Service,' by Adding a New Section 13.20.320, 'Schedule NST – New Sales Tax Rate'"

MEETING DATE: June 2, 2010

PREPARED BY City Clerk

RECOMMENDED ACTION: Motion waiving reading in full and (following reading by title) adopting the attached Ordinance No. 1830.


BACKGROUND INFORMATION: Ordinance No. 1830 entitled, "An Ordinance of the Lodi City Council Amending Lodi Municipal Code Chapter 13.20, 'Electrical Service,' by Adding a New Section 13.20.320, 'Schedule NST – New Sales Tax Rate'" was introduced at the regular City Council meeting of May 19, 2010.

ADOPTION: With the exception of urgency ordinances, no ordinance may be passed within five days of its introduction. Two readings are therefore required – one to introduce and a second to adopt the ordinance. Ordinances may only be passed at a regular meeting or at an adjourned regular meeting; except for urgency ordinances, ordinances may not be passed at a special meeting. Id. All ordinances must be read in full either at the time of introduction or at the time of passage, unless a regular motion waiving further reading is adopted by a majority of all council persons present. **Cal. Gov'f Code § 36934.**

Ordinances take effect 30 days after their final passage. **Cal. Gov'f Code § 36937.**
This ordinance has been approved as to form by the City Attorney.

FISCAL IMPACT: None.

FUNDING AVAILABLE: None required.



Randi Johl
City Clerk

RJ/jmr

Attachment

APPROVED: 

Konradt Bartlam, Interim City Manager

ORDINANCE NO. 1830

AN ORDINANCE OF THE LODI CITY COUNCIL
AMENDING LODI MUNICIPAL CODE CHAPTER 13.20,
"ELECTRICAL SERVICE," BY ADDING A NEW SECTION
13.20.320, "SCHEDULE NST – NEW SALES TAX RATE"

BE IT ORDAINED BY THE LODI CITY COUNCIL AS FOLLOWS:

SECTION 1. Lodi Municipal Code Section 13.20 is hereby amended by adding a new Section 13.20.320, "Schedule NST – New Sales Tax Rate," to read as follows:

13.20.320 Schedule NST – New Sales Tax Rate

A. Applicability. This rate discount is available to qualified commercial customers on the G1, G2, G3, G4, or G5 rate for the purpose of attracting new businesses generating substantial sales tax revenue into vacant properties.

B. Commercial Businesses.

1. Qualifying Customers. A qualifying customer is one who:

- a) Takes permitted occupancy after June 30, 2010, of property within the City of Lodi ("Lodi") and receives electric service from the City of Lodi. The property must be unoccupied for at least ninety (90) days prior to the subject occupancy ("subject property"); and
- b) At the subject property, makes retail sales that generate New Sales Tax of \$100,000 per year or more, as determined by the City of Lodi; and
- c) Files a complete application requesting a new sales tax rate (NST).

2. New Sales Tax.

- a) "New Sales Tax" as used in paragraph B(1)(b) above refers to the portion of the sales tax paid to the City of Lodi generated by sales at the subject property ("Lodi NST"); and
- b) A business that relocates within the City of Lodi must generate an additional \$100,000 of Lodi NST over their prior twelve (12) months sales tax to qualify for this rate.

C. Discount. The discount shall equal ten percent of the electric portion of the Lodi utility bill associated with the load of the qualified customer at the subject property for bills for periods ending with meter readings in the year ending June 30, 2011, and five percent for the electric portion of the Lodi utility bill associated with the load of the qualified customer at the subject property for periods ending with meter readings in the year ending June 30, 2012. The discount shall not apply to the solar surcharge, CEC fee, state energy tax, or any other assessment or charge levied on electric bills after the effective date of this rate schedule unless specifically provided otherwise. These discounts shall expire for bill periods ending with meter readings after June 30, 2012.

D. Verification. Customer must provide information satisfactory to Lodi regarding the planned size of the new load and sales tax generation. If, in the opinion of Lodi, a customer is deemed qualified on the basis of sales tax projections, but is later found not to be qualified, on the basis of actual sales tax generation, then any discount will be rebilled and due back to Lodi. If, in the opinion of Lodi, a customer is deemed not to be qualified on the basis of sales tax projections, but is later found to be qualified, on the basis of actual sales tax generation, then any discount due for the applicable retroactive period will be credited to the customer's account.

E. Tourism and/or Wine Industry Businesses

1. Customers who meet the qualifications for both the NST rate and the Tourism and/or Wine Industry Business discount under the EDR rate will be given the larger of the two discounts, but not both, for the period in which they meet the qualifications for both.

F. Sunset. This NST rate shall expire at the end of June 2012. It shall not apply to any bill based on the customer's meter readings taken after June 30, 2012.

G. Lodi shall be responsible for establishing administrative rules and processes for administering this rate schedule. Customers shall provide information on a timely basis to enable EUD to verify eligibility and to administer the terms of this rate schedule.

SECTION 2. No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

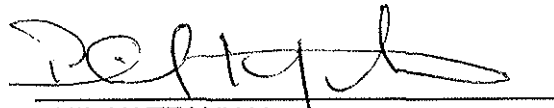
SECTION 3. Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

SECTION 4. All ordinances, resolutions, and other actions and parts thereof in conflict herewith are repealed insofar as such conflict may exist.

SECTION 5. This ordinance shall be published pursuant to law and shall become effective 30 days from the date of passage and adoption.

SECTION 6. This amended Schedule referenced above shall be effective on applicable electric utility billings prepared by the City of Lodi on or after July 2, 2010, or the first date allowable under State law.

Approved this 2nd day of June, 2010



PHIL KATZAKIAN
Mayor

ATTEST:



RANDI JOHL
City Clerk

State of California
County of San Joaquin, ss.

I, Randi Johl, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1830 was introduced at a regular meeting of the City Council of the City of Lodi held May 19, 2010, and was thereafter passed, adopted, and ordered to print at a regular meeting of said Council held June 2, 2010, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Hitchcock, Johnson, Mounce, and Mayor Katzakian

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None

I further certify that Ordinance No. 1830 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.



RANDI JOHL

Approved to Form:



D. STEPHEN SCHWABAUER
City Attorney